## APPENDIX A REQUEST LETTER FROM THE UNITED STATES TRADE REPRESENTATIVE

## EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE

WASHINGTON, D.C. 20508

SEP 16 2002

chaired 9/17/02 1-Secretary 2-ER

The Honorable Deanna Tanner Okun Chairman United States International Trade Commission 500 E Street, SW Washington, DC 20436

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## Dear Chairman Okun:

As you are aware, the Uruguay Round Agreement on Textiles and Clothing (ATC), which entered into force with the WTO agreements in 1995, created special interim rules to govern trade in textiles and apparel among WTO Members for 10 years. The ATC calls for the gradual and complete elimination of import quotas on textiles and apparel established by the United States and other importing countries under the Multifiber Arrangement and predecessor arrangements by January 1, 2005. As we anticipate the final completion of the quota phase-out required by the ATC, it may be that significant changes will occur in the global pattern of production, trade and consumption of these products. It would be most helpful for the Administration to be able to anticipate the nature of these changes as much as possible.

Therefore, under authority delegated by the President, I request that the United States International Trade Commission (Commission) initiate an investigation under section 332(g) of the Tariff Act of 1930, as amended (19 U.S.C. 1332(g)), and provide a report that assesses the textile and apparel industries of the countries, described below, that are currently suppliers to the U.S. market with respect to their competitiveness and other factors pertinent to their adjustment to ATC completion. These countries should include: (a) significant ATC suppliers to the U.S. market, (b) Mexico, and (c) other supplying countries with preferential access to the U.S. market. To the extent practicable, your analysis should discuss factors such as textile and apparel consumption, production, employment, and prices in major textile and apparel exporting countries, as well as their textile and apparel trade, particularly with industrial country markets.

I request that the Commission provide its report in this matter by June 30, 2003. In accordance with USTR policy on implementing Executive Order 12958, I direct you to mark or identify as "confidential," for a period of 10 years, such portions of the Commission's report and its working papers that deal with the requested information on the relative competitiveness of the textile and apparel industries in the selected foreign countries. Consistent with the Executive Order, this information is being classified on the basis that it concerns economic matters relating to the national security. USTR also considers the Commission's report to be an inter-agency memorandum that will contain predecisional advice and be subject to the deliberative process

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privilege. I also request that you submit an outline of the report as soon as possible to enable USTR officials to provide you with further guidance on the extent and duration to which portions of the report require classification. Based on this outline, a USTR official with original classification authority will provide you with written instructions.

Thank you for your cooperation in this matter.

Sincerely,

Robert B. Zoellick